A0400-1

The Aluminum Situation

Department of Economics and Statistics **June 1985**

Shipments Off 3.1 Percent

Net shipments for four months of 1985, at an estimated 4,959 million pounds, were 3.1 percent lower than the 5,118 million pounds for four months of 1984.

Domestic shipments of 4,534 million pounds were 5.4 percent lower than the 4,794 million pounds shipped in four months of 1984.

Imports were down 9.4 percent and exports improved 31.3 percent.

Thru April 1985

	4 mos. 1985	4 mos. 1984	% Change
Mill Products	4,001	4,155	- 3.7
Ingot	958	963	- 0.5
Total	4,959	5,118	- 3.1
Less Exports	(425)	(324)	+31.3
Domestic Total	4,534	4,794	- 5.4

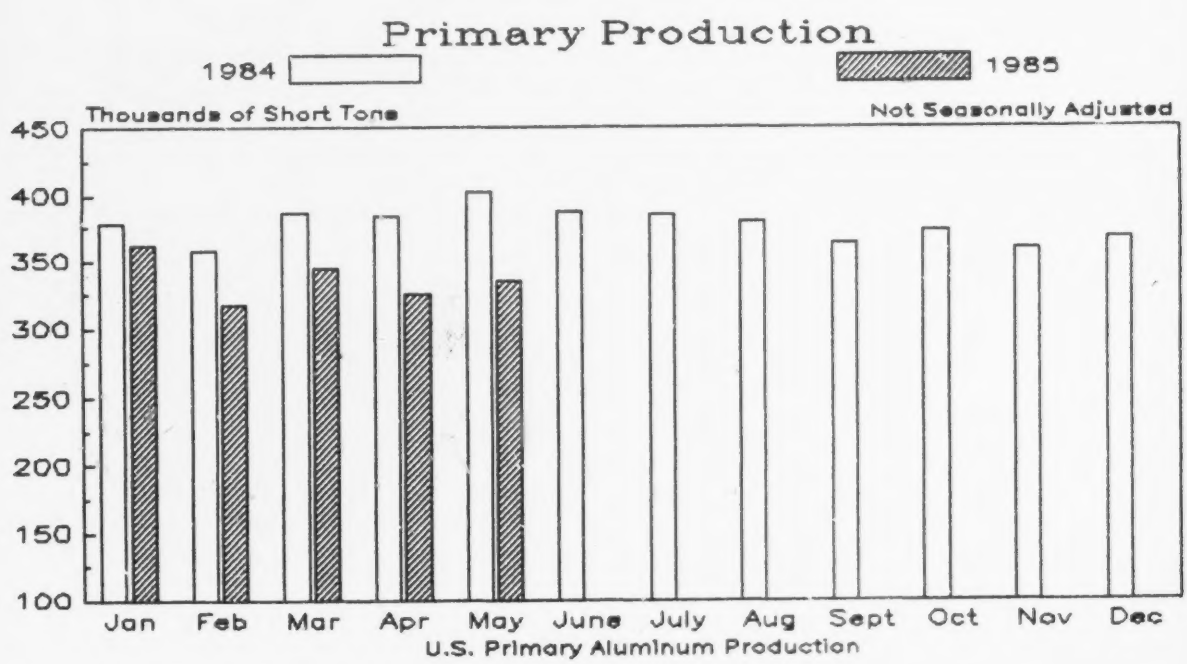
Millions of Pounds
Source: Latest two months estimated by the Aluminum Association. Previous data-Bureau of the Census.

Production Rate Down 16.8 Percent

U.S. primary aluminum production averaged 10,802 short tons daily during May 1985 compared with an average 12,983 tons a day in May 1984.

The annual rate of production in May 1985 was 3,942,842 tons, compared to 3,957,786 tons in April 1985. May 1984 production rate was 4,751,843 tons.

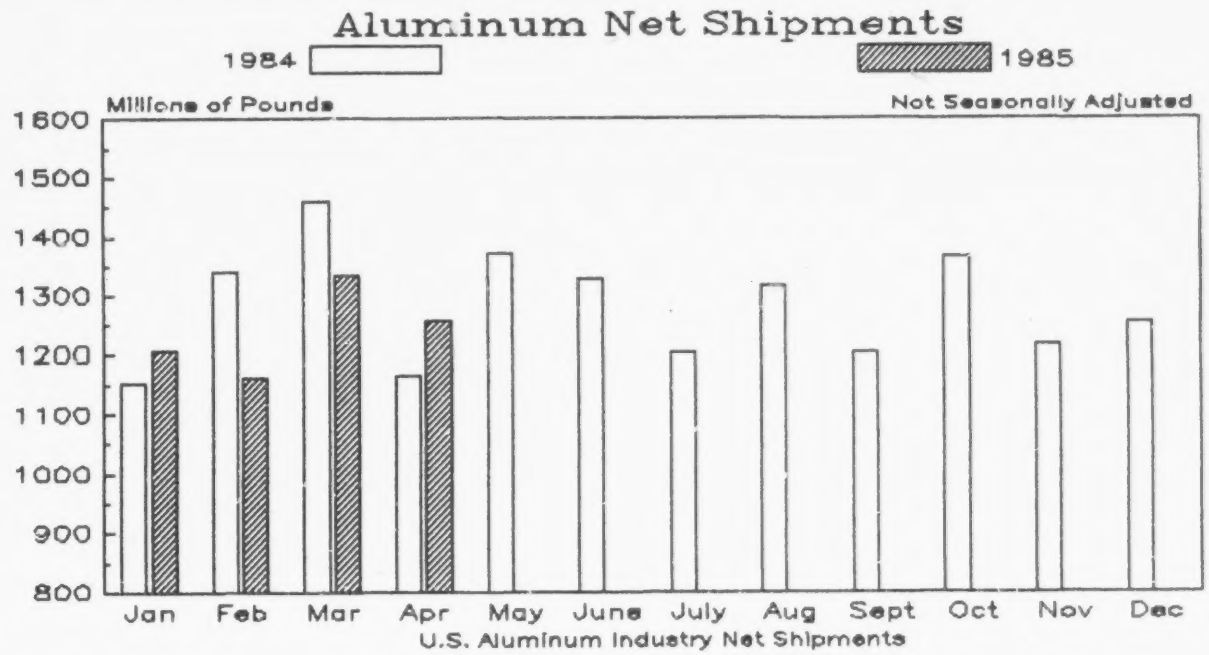
Actual production in May 1985 was 334,872 tons.



Aluminum Association total industry estimates are based on information reported by members, which is aggregated by the Association and then expanded to total industry data utilizing an expansion ratio that attempts to reflect the relationship of reporters to the total industry. While the Association believes that its statistical procedures and methods are reliable, it does not warrant the accuracy or completeness of the data. All data contained herein are subject to revision.

Shipments Down 3.1 Percent vs. Year Ago

Estimated shipments of 4,959 million pounds in the first four months of 1985 were down 3.1 percent from 1984's first four months. Because of the export growth, domestic shipments were off 5.4 percent.



Net Shipments

(Millions of Pounds)

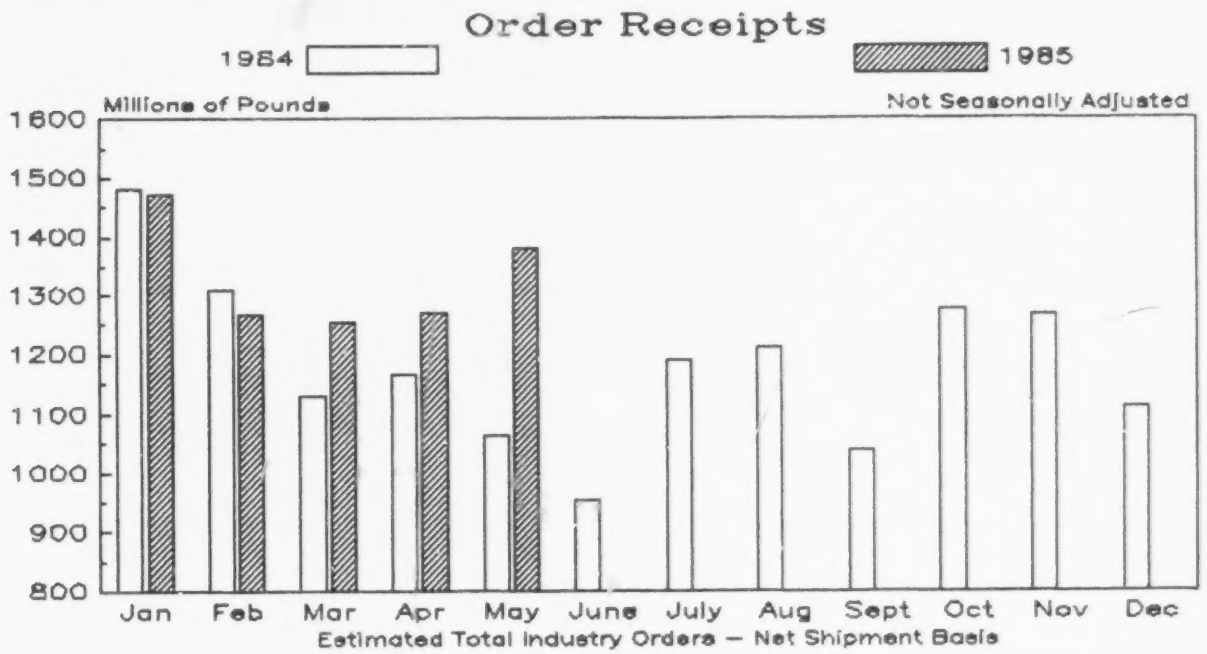
	1985 Apr.*	1984 Apr.	1985 4 mos.*	1984 4 mos.	% Change YTD 1985 vs. 1984
Sheet	560.0	522.3	2,056.9	2,243.5	- 8.3
Plate	21.0	19.5	89.4	80.4	+11.2
Foil	71.0	70.2	270.1	285.5	- 5.4
Rod, Bar & Wire	28.0	37.6	109.5	135.8	-19.4
Electrical Conductor	60.0	59.8	238.0	231.7	+ 2.7
Extruded Shapes & Tube	229.0	199.6	866.9	802.9	+ 8.0
Powder & Paste	11.0	8.5	39.3	32.0	+22.8
Forgings & Impacts	13.0	12.8	50.4	48.6	+ 3.7
Net Imports of Mill Products (Total) (a)	63.0	66.6	280.8	295.1	- 4.8
Total Mill Products	1,056.0	996.9	4,001.3	4,155.5	- 3.7
Ingot (b)	200.0	168.6	957.7	962.8	- 0.5
TOTAL INDUSTRY SHIPMENTS	1,256.0	1,165.5	4,959.0	5,118.3	- 3.1
Exports	(101.2)	(50.8)	(425.1)	(323.8)	+31.3
TOTAL DOMESTIC SHIPMENTS	1,154.8	1,114.7	4,533.9	4,794.5	- 5.4

*Latest two months estimated by the Aluminum Association.
Previous data-Bureau of the Census and Department of Commerce.
(a) Not included in product data above.
(b) Sufficient data not available for reliable estimate. Implicit in this item is a 10 to 25% variation.

Commencing January 1985, Census reports have changed product categories as follows: Rod, Bar and Wire now includes Extruded Rod and Bar; the former Extruded Products now only consists of Shapes and Pipe and Tube; and Welded Tube has been dropped.

Five Months Orders Up 8.0 Percent vs. Year Ago

Estimated net new order receipts for May 1985 of 1,379 million pounds were up 29.8 percent vs. May 1984 and 8.7 percent over April 1985. Sheet and plate, extrusions, ingot and exports were all up strongly.



Order Receipts

(Millions of Pounds)

	1985 May*	1984 May	1985 5 months	1984 5 months	% Change YTD 1985 vs. 1984
Can Stock(a)	314.6	256.3	1,392.5	1,426.1	- 2.4
Sheet & Plate, Other	375.1	223.9	1,738.1	1,556.3	+11.7
Foil	57.4	74.5	318.7	339.1	- 6.0
Rod, Bar & Wire	13.6	22.2	72.3	125.0	-42.2
Electrical Conductor	69.5	65.1	313.7	338.0	- 7.2
Extruded Products	200.8	182.9	1,084.6	961.9	+12.8
Powder & Paste	9.4	7.4	50.1	52.6	- 4.8
Forgings & Impacts	10.9	11.6	51.3	57.3	-10.5
Domestic Mill Products	1,051.3	843.9	5,021.3	4,856.3	+ 3.4
Ingot(Total)	240.7	153.5	1,203.6	945.8	+27.3
TOTAL DOMESTIC	1,292.0	997.4	6,224.9	5,802.1	+ 7.3
Exports	87.0	65.1	416.7	347.4	+19.9
TOTAL ALL PRODUCTS	1,379.0	1,062.5	6,641.6	6,149.5	+ 8.0

Source: The Association estimates total industry orders, based on weekly reports by members of new orders (less cancellations) received. The Association expands these data to total industry utilizing an expansion ratio that attempts to reflect the relationship of reporters to the total industry. Weekly data are available upon request.
(a) Import orders included in Sheet and Plate, Other.
*Latest month.

Inventories Continue Decline in April 1985 By 37 Million Pounds

Producer inventories decreased an estimated 37 million pounds in April 1985 from 1985. Due to changes in the Bureau of Census format of reports in January 1985, inventory detail is now shown by product type.

Month-End Aluminum Inventories
By Type of Producer
Figures in Millions of Pounds

Month	Total*	Integrated	Smelters	Non-Integrated
Dec 80	5,076	4,018	261	797
Dec 81	6,607	5,542	266	798
Dec 82	6,180	5,224	216	740
Dec 83	4,994	3,979	163	853
May 84	5,579	4,417	233	928
Jun 84	5,618	4,474	240	904
Jul 84	5,775	4,622	234	919
Aug 84	5,794	4,640	225	930
Sep 84	5,881	4,710	226	945
Oct 84	5,889	4,722	225	942
Nov 84	5,920	4,790	205	925
Dec 84	5,849	4,691	229	929

Month	Total*	Ingot	Scrap	All Other
Jan 85	5,759	2,448	669	2,612
Feb 85	5,678r	2,575r	666r	2,437r
Mar 85	5,647r	2,547r	642	2,459r
Apr 85	5,610	2,520	650	2,440

*Latest two months estimated by Aluminum Association. Previous data-Bureau of the Census. Inventories include ingot, mill products and scrap.
Early estimates are available approximately the 5th working day each month; however, there is a charge for this special service. Contact the Aluminum Association Department of Economics and Statistics for details.

Imports and Exports

(Millions of Pounds)

		1985 Apr.	1984 Apr.	1985 4 mos.	1984 4 mos.	% Change 1985 vs. 1984
Imports	Mill Products	80.7	83.5	349.6	351.5	- 0.6
	Ingot	145.9	137.4	599.2	695.7	-13.9
	Total	226.6	220.9	948.8	1,047.2	- 9.4
	Scrap (+ dross)	22.7	21.8	82.0	91.1	- 9.9
	Grand Total	249.3	242.7	1,030.8	1,138.3	- 9.4
Exports	Mill Products	39.3	35.6	156.2	179.6	-13.1
	Ingot	61.9	15.3	268.9	144.2	+86.5
	Total	101.2	50.9	425.1	323.8	+31.3
	Scrap	71.9	36.6	290.7	151.9	+91.4
	Grand Total	173.1	87.5	715.8	475.7	+50.5
Net Imports		76.2	155.2	315.0	662.6	

Source: Department of Commerce, Industry Trade Administration and Bureau of the Census. Excludes backed foil.